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50X1-HUM

- b. Labour, vehicles and draught animals were mobilized to transport commodities between districts and secure an even distribution.
- c. Bank loans were stopped and stricter financial control of all firms was enforced.
- d. Propaganda for loans and donations was intensified.

The above measures caused a shortage of money, and private traders were afraid to hoard their goods. Prices therefore fell gradually.

5. The commodity position in Manchuria is halfway between abundance and shortage. Daily essentials are in good supply; only industrial raw materials are rather short. Expensive foreign luxury goods are no longer seen, but they have no place in the Communist way of life and they are no longer missed. 50X1-HUM
6. Vehicles seem to be coming in steadily. All Chinese Army cars [redacted] seen in Manchuria are new - usually of Russian or Czech manufacture. The city of MUKDEN used to have charcoal-burning buses; but now two-thirds of them are new petrol buses. 50X1-HUM
7. [redacted] private firms in Manchuria enjoyed real prosperity, except in a few places where they were swamped by state-operated concerns. [redacted] the Three and Five Anti's Campaigns seemed to herald an all-out effort to crush private business, and the owners of small firms are now very gloomy about their prospects.
8. A number of experimental collective farms are being run in northern Manchuria. They have received considerable publicity, and peasants' representatives have been visiting them to see what can be done in such farms under state management. The majority of these visitors go away unconvinced that the collective system is better than peasant ownership.

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